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Canada Statistics
Customer's Accounts Out-
standing on Books of Retail
stores.
1935



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CANADA

DOMINION BUREAU OF STATISTICS

CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS *- General,*

MISCELLANEOUS STATISTICS

CUSTOMERS' ACCOUNTS OUTSTANDING
ON BOOKS OF RETAIL STORES,
DECEMBER 31, 1935

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CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS.

Customers' Accounts Outstanding on Books of Retail Stores,
December 31, 1935

Customers' accounts outstanding on retail merchants' books totalled almost a quarter of a billion dollars on December 31, 1935, according to data secured for the annual Census of Merchandising Establishments. The total amount, \$222,936,000, includes the amount outstanding at the end of the year on charge accounts and on open and instalment accounts, but it does not include accounts carried by other than merchandising firms such as amounts due financing corporations as part payment in the sale of motor vehicles. Accounts written off are also excluded. The figure for outstanding accounts is not, of course, synonymous with the total amount of credit business transacted by retail firms during the year; it represents the amount outstanding on December 31 on credit or instalment purchases made prior to or during 1935, but it does not include cash payments made during the year on obligations contracted within the same period. The figure is indicative of the extent to which Canadian consumers were debtors of retail merchants on December 31, 1935.

Provincial distribution of the total year-end indebtedness to retail merchants is as follows: Ontario, \$78,846,800; Quebec, \$47,687,500; Saskatchewan, \$25,643,900; British Columbia, \$18,221,900; Alberta, \$17,667,300; Manitoba, \$14,636,200; Nova Scotia, \$9,202,400; New Brunswick, \$8,417,100, and Prince Edward Island, \$2,349,400.

The extent to which the value of accounts outstanding at the year end is representative of the average amount carried throughout the year is influenced by several factors: The endeavours of both retail merchants and purchasers to clear off small accounts before the end of the year would tend to reduce the figure on December 31 below the average for the twelve-month period. The fact of the amount reported to the Census of Merchandising being a month-end figure would also act in the same direction. Offsetting the effects of these two factors is the abnormally high level of retail buying in December on account of the Christmas trade and the consequent proportional increase in instalment and credit sales. Seasonal variations in the available cash resources of the farm population also have an important bearing on the relative amounts outstanding on the books of retail firms at different periods of the year.

A comparison of outstanding accounts at the end of the year with total annual sales, although largely influenced by the factors enumerated in the preceding paragraph, may be of some significance in presenting relative indebtedness to retail merchants in different localities and in different lines of business. Retail sales in Canada for 1935 totalled \$2,035,817,000 and outstanding accounts of \$222,936,000 at the end of that year formed 11.0 per cent of the annual sales figure. Ratios of year-end outstanding accounts to annual sales were greatest in Prince Edward Island (23.8 per cent) and in Saskatchewan (21.5 per cent) and were fairly uniform at from 10 per cent to 14 per cent in the remainder of the provinces. The large ratio for Prince Edward Island may be attributed partly to the large proportion of the total business in that province which is transacted by country general stores, a type of retail outlet in which credit sales are of considerable importance, and partly by the relatively unimportant position held by chain stores with their smaller credit business. The ratio of

21.5 per cent for Saskatchewan may be attributed to the large amounts outstanding on the books of lumber and building material dealers, a kind of business which accounts for a considerable portion of the total provincial retail trade.

As a general rule, the ratio of outstanding accounts at the year end to total annual sales was greater for independent than for chain stores. The total amount of \$222,936,000 which was outstanding on December 31, 1935, may be divided in the proportion \$192,464,900 for independent stores and \$30,471,100 for chains, the ratios of accounts to annual sales being 11.5 per cent for independents and 8.4 per cent for chains. The difference in ratios as between chains and independents is much more marked for certain kinds of business. Accounts outstanding on the books of all grocery and combination stores at the end of 1935 totalled \$18,432,800, this amount forming 5.9 per cent of the annual sales of all such stores. The amount owing to independent stores in this field was \$17,391,600 or 8.3 per cent of annual sales, while the amount owing to retail chains was \$1,041,200 or 1.0 per cent of sales. In the drug store field the ratios of outstanding accounts to sales were 4.2 per cent for independents, 1.0 per cent for chains and 3.6 per cent for all stores. In the lumber and building materials field the situation was reversed, the ratio of outstanding accounts to sales being much larger for multiple organizations (operating chiefly in the Prairie Provinces) than for single yards. Including both chains and independents, outstanding accounts totalled \$17,648,700 or 47.8 per cent of sales. The total amount may be divided in the proportion \$8,169,700 for independent yards and \$9,479,000 for multiple firms, these figures forming 31.8 per cent and 84.7 per cent of the corresponding annual sales.

Accounts outstanding at the end of the year on the books of country general stores (stores selling a general line of merchandise and located in places of less than 10,000 population) totalled \$33,098,500 or 19.2 per cent of the annual sales for this kind of business. Motor vehicle dealers carried \$19,214,800 on their own books at the year end. As previously stated, this amount does not include obligations due financing corporations which assisted in the financing of motor vehicle sales. Outstanding accounts for other important lines of business, together with the proportions that such amounts formed of annual sales, are as follows: \$16,985,300 or 6.6 per cent of sales for department stores, \$14,044,800 or 48.1 per cent of sales for furniture stores, \$11,470,500 or 22.9 per cent of sales for hardware stores, and \$10,598,400 or 60.5 per cent of sales for radio and music stores. The large ratios shown for furniture stores and radio and music stores are obviously indicative of the policy of extensive instalment buying so prevalent in the purchase of those commodities handled by these lines of trade.

Table 1.--Annual Retail Sales and Accounts Outstanding on Books
of Retail Firms on December 31, 1935, by Provinces

Province	Retail Sales, 1935		Accounts Outstanding, December 31, 1935		
	Amount	% of Dom. total	Amount	% of sales	% of Dom. total
	\$		\$		
CANADA(1)	2,035,817,000	100.0	222,936,000	11.0	100.0
Prince Edward Island ...	9,886,000	.5	2,349,400	23.8	1.1
Nova Scotia	80,409,000	3.9	9,202,400	11.4	4.1
New Brunswick	61,318,000	3.0	8,417,100	13.7	3.8
Quebec	461,864,000	22.7	47,687,500	10.3	21.4
Ontario	848,014,000	41.7	78,846,800	9.3	35.4
Manitoba	137,533,000	6.8	14,636,200	10.6	6.6
Saskatchewan	119,137,000	5.9	25,643,900	21.5	11.5
Alberta	128,202,000	6.3	17,667,300	13.8	7.9
British Columbia	187,257,000	9.2	18,221,900	9.7	8.2

(1) Includes Yukon and Northwest Territories.

Table 2.--Accounts Outstanding on Books of Retail Firms
on December 31, 1935

(Firms classified according to type of operation, by provinces)

Province	ALL STORES		Independent Stores		Chain Stores	
	Accounts outstanding		Accounts outstanding		Accounts outstanding	
	Amount	% of sales	Amount	% of sales	Amount	% of sales
	\$		\$		\$	
CANADA(1)	222,936,000	11.0	192,464,900	11.5	30,471,100	8.4
Prince Edward Island	2,349,400	23.8	2,337,000	24.8	12,400	2.7
Nova Scotia	9,202,400	11.4	8,684,900	13.0	517,500	3.8
New Brunswick	8,417,100	13.7	7,360,700	14.1	1,056,400	11.7
Quebec	47,687,500	10.3	42,629,000	11.0	5,058,500	6.9
Ontario	78,846,800	9.3	69,029,000	10.2	9,817,800	5.7
Manitoba	14,636,200	10.6	12,911,200	10.6	1,725,000	11.0
Saskatchewan	25,643,900	21.5	18,447,200	19.1	7,196,700	31.6
Alberta	17,667,300	13.8	14,738,300	13.6	2,929,000	14.9
British Columbia ...	18,221,900	9.7	16,203,800	10.8	2,018,100	5.4

(1) Includes Yukon and Northwest Territories.

Table 3.--Retail Sales and Accounts Outstanding on Books of Retail Firms on December 31, 1935,
for Business Groups and Selected Kinds of Business, by Provinces

Kind of Business	CANADA				Prince Edward Island				Nova Scotia				New Brunswick			
	Retail Sales, 1935	Accounts Outstanding		% of sales	Retail Sales, 1935	Accounts Outstanding		% of sales	Retail Sales, 1935	Accounts Outstanding		% of sales	Retail Sales, 1935	Accounts Outstanding		% of sales
		Amount	% of sales			Amount	% of sales			Amount	% of sales			Amount	% of sales	
TOTAL	2,035,817,000	222,936,000	11.0		9,886,000	2,349,400	23.8		80,409,000	9,202,400	11.4		61,318,000	8,417,100	13.7	
Food group	464,561,000	25,435,700	5.5		1,840,000	204,100	11.1		20,733,000	1,571,500	7.6		11,730,000	944,500	8.1	
Country general stores	172,456,000	33,098,500	19.2		2,300,000	784,300	34.1		11,952,000	1,831,800	15.5		9,943,000	2,746,100	27.6	
General merchandise group ..	339,860,000	20,977,900	6.2		1,665,000	314,000	18.9		10,096,000	908,300	9.0		13,028,000	648,900	5.0	
Automotive group	306,437,000	27,300,600	8.9		1,154,000	212,400	18.4		12,565,000	1,291,500	10.3		1,247,600	1,247,600	14.5	
Apparel group	165,864,000	14,073,900	8.5		1,002,000	129,200	12.9		6,793,000	792,000	11.7		4,533,000	615,700	13.6	
Building materials group ..	100,567,000	32,532,100	32.3		263,000	77,300	29.4		2,979,000	667,000	22.4		2,273,000	602,400	26.5	
Furniture and household group	65,071,000	33,862,500	52.0		324,000	154,900	47.8		2,100,000	855,700	40.7		1,655,000	795,300	48.1	
Restaurants, cafeterias and eating places	45,825,000	274,200	.6		97,000	700	.7		1,112,000	7,600	.7		911,000	6,100	.7	
Other retail stores	374,776,000	35,380,600	9.4		1,241,000	472,500	38.1		12,179,000	1,277,000	10.5		8,654,000	810,500	9.4	
Selected Kinds of Business																
Grocery and combination stores	312,197,000	18,432,800	5.9		1,539,000	188,700	12.3		17,077,000	1,409,400	8.3		9,710,000	857,400	8.8	
Meat markets	58,712,000	3,628,600	6.2		174,000	13,400	7.7		998,000	82,800	8.3		591,000	42,600	7.2	
Department stores	258,653,000	16,985,300	6.6		1,227,000	238,000	19.4		6,014,000	577,300	9.6		10,326,000	485,300	4.7	
Motor vehicle dealers	216,309,000	19,214,800	8.9		897,000	197,300	22.0		9,273,000	945,800	10.2		6,743,000	1,087,000	16.1	
Hardware stores	50,043,000	11,470,500	22.9		38,000	8,900	23.4 ⁽¹⁾		1,785,000	397,100	22.2		1,147,000	343,000	29.9	
Lumber and building material dealers	36,904,000	17,648,700	47.8		149,000	47,100	31.6 ⁽¹⁾		814,000	165,200	20.3		401,000	74,200	18.5	
Furniture stores	29,229,000	14,044,800	48.1		248,000	115,100	46.4 ⁽¹⁾		1,046,000	314,800	30.1		1,110,000	503,100	45.3	
Coal and wood yards	72,486,000	11,172,700	15.4		351,000	91,600	26.1		2,883,000	622,700	21.6		1,837,000	350,900	19.1	
Drug stores	61,353,000	2,208,100	3.6		260,000	22,500	8.7		2,266,000	167,800	7.4		1,996,000	124,500	6.2	

(1) Dominion average.

Table 3.--Retail Sales and Accounts Outstanding on Books of Retail Firms on December 31, 1935.

for Business Groups and Selected Kinds of Business, by Provinces (Cont'd.) -

Kind of Business	Quebec				Ontario				Manitoba			
	Retail Sales, 1935 \$	Accounts Outstanding			Retail Sales, 1935 \$	Accounts Outstanding			Retail Sales, 1935 \$	Accounts Outstanding		
		Amount \$	% of sales			Amount \$	% of sales			Amount \$	% of sales	
TOTAL	461,864,000	47,687,500	10.3		848,014,000	78,846,800	9.3		137,533,000	14,636,200	10.6	
Food group	139,190,000	6,900,900	5.0		196,444,000	9,610,100	4.9		20,315,000	1,065,800	5.2	
Country general stores	37,824,000	6,734,300	17.8		37,359,000	5,483,100	14.7		10,993,000	2,302,100	20.9	
General merchandise group ..	60,810,000	4,824,400	7.9		134,876,000	8,625,900	6.4		49,134,000	1,704,600	3.5	
Automotive group	54,933,000	4,031,900	7.3		143,949,000	9,990,000	6.9		16,920,000	1,908,500	11.3	
Apparel group	44,608,000	3,844,000	8.6		74,291,000	6,198,700	8.3		7,215,000	773,000	10.7	
Building materials group ...	26,085,000	3,460,200	21.5		40,677,000	9,043,600	22.2		7,693,000	3,258,400	42.4	
Furniture and household group	17,301,000	9,811,200	56.7		29,471,000	14,983,300	50.8		2,564,000	1,407,200	54.9	
Restaurants, cafeterias and eating places	9,021,000	44,800	.5		18,701,000	112,200	.6		2,747,000	18,000	.7	
Other retail stores	82,092,000	8,035,800	9.8		172,246,000	14,799,900	8.6		19,952,000	2,198,600	11.0	
<u>Selected Kinds of Business</u>												
<u>Grocery and combination stores</u>												
Meat markets	16,302,000	749,900	4.6		24,837,000	1,374,000	5.5		2,151,000	122,600	5.7	
Department stores	36,730,000	3,562,800	9.7		100,915,000	7,165,000	7.1		46,628,000	1,632,000	3.5	
Motor vehicle dealers	36,456,000	2,253,200	6.2		102,577,000	6,937,000	6.8		11,594,000	1,426,800	12.3	
Hardware stores	8,849,000	1,595,400	18.0		20,684,000	3,883,500	18.8		2,952,000	767,500	26.0	
<u>Lumber and building material dealers</u>												
Furniture stores	4,692,000	1,224,700	26.1		13,237,000	3,463,200	26.2		3,677,000	2,254,100	61.3	
Coal and wood yards	15,847,000	2,709,800	17.1		13,174,000	5,776,100	43.8		489,000	252,800	51.7	
Drug stores	11,799,000	269,800	2.3		40,380,000	5,633,500	14.0		4,866,000	871,000	17.9	
					29,497,000	802,700	2.7		3,305,000	126,300	3.8	

Table 3. Retail Sales and Accounts Outstanding on Books of Retail Firms on December 31, 1935.
for Business Groups and Selected Kinds of Business, by Provinces (Cont'd.) -

Kind of Business	Saskatchewan				Alberta				British Columbia			
	Retail Sales, 1935 \$	Accounts Outstanding		Retail Sales, 1935 \$	Amount \$	% of sales	Accounts Outstanding		Retail Sales, 1935 \$	Amount \$	% of sales	
		Amount \$	% of sales				Amount \$	% of sales				
TOTAL	119,137,000	25,643,900	21.5	128,202,000	17,667,300	13.8	128,202,000	17,667,300	187,257,000	18,221,900	9.7	
Food group	16,298,000	1,132,700	6.9	21,821,000	1,527,400	7.0	21,821,000	1,527,400	36,359,000	2,462,200	6.8	
Country general stores	26,430,000	6,040,800	22.9	21,141,000	4,609,800	21.8	21,141,000	4,609,800	14,118,000	2,469,000	17.5	
General merchandise group ..	14,723,000	1,005,600	6.8	18,249,000	745,200	4.1	18,249,000	745,200	37,279,000	2,201,000	5.9	
Automotive group	16,786,000	3,479,000	20.7	22,995,000	2,300,600	10.0	22,995,000	2,300,600	28,544,000	2,839,100	9.9	
Apparel group	6,957,000	380,300	5.5	7,928,000	498,400	6.3	7,928,000	498,400	12,530,000	842,600	6.7	
Building materials group ...	13,037,000	9,607,700	73.7	10,450,000	4,242,500	40.6	10,450,000	4,242,500	7,025,000	1,573,000	22.4	
Furniture and household group	2,386,000	1,364,900	57.2	3,669,000	2,041,400	55.6	3,669,000	2,041,400	5,599,000	2,448,600	43.7	
Restaurants, cafeterias and eating places	3,065,000	21,100	.7	3,636,000	22,900	.6	3,636,000	22,900	6,472,000	40,800	.6	
Other retail stores	19,455,000	2,611,800	13.4	18,313,000	1,679,100	9.2	18,313,000	1,679,100	39,331,000	3,345,600	8.5	
<u>Selected Kinds of Business</u>												
Grocery and combination stores	11,107,000	877,700	7.9	14,276,000	1,005,300	7.0	14,276,000	1,005,300	20,704,000	1,460,100	7.1	
Meat markets	2,701,000	197,200	7.3	3,820,000	397,800	10.4	3,820,000	397,800	7,084,000	644,700	9.1	
Department stores	11,660,000	827,900	7.1	14,148,000	636,700	4.5	14,148,000	636,700	31,005,000	1,860,300	6.0	
Motor vehicle dealers	11,814,000	2,767,000	23.4	17,825,000	1,836,000	10.3	17,825,000	1,836,000	19,136,000	1,764,700	9.2	
Hardware stores	5,793,000	2,082,500	35.9	5,072,000	1,577,500	31.1	5,072,000	1,577,500	3,639,000	815,100	22.4	
Lumber and building material dealers	7,066,000	7,477,400	105.8	4,925,000	2,547,900	51.7	4,925,000	2,547,900	1,942,000	394,900	20.3	
Furniture stores	906,000	425,000	46.9	1,991,000	969,600	48.7	1,991,000	969,600	2,029,000	688,600	33.9	
Coal and wood yards	2,528,000	419,600	16.6	803,000	106,800	13.3	803,000	106,800	2,982,000	366,800	12.3	
Drug stores	3,415,000	253,300	7.4	3,896,000	204,200	5.2	3,896,000	204,200	4,894,000	237,000	4.8	

Table 4.--Accounts Outstanding on Books of Retail Firms
on December 31, 1935, for Business Groups and
Selected Kinds of Business - Independent
Stores and Chain Stores Compared

Kind of Business	ALL STORES		Independent Stores		Chain Stores	
	Accounts outstanding		Accounts outstanding		Accounts outstanding	
	Amount	% of sales	Amount	% of sales	Amount	% of sales
	\$		\$		\$	
TOTAL	222,936,000	11.0	192,464,900	11.5	30,471,100	8.4
Food group	25,435,700	5.5	23,981,700	6.8	1,454,000	1.3
Country general stores	33,098,500	19.2	32,092,600	19.4	1,005,900	13.6
General merchandise group	20,977,900	6.2	20,904,100	7.0	73,800	.2
Automotive group	27,300,600	8.9	26,379,900	9.3	920,700	4.1
Apparel group	14,073,900	8.5	12,724,200	9.2	1,549,700	4.9
Building materials group	32,532,100	32.3	22,349,800	26.3	10,182,300	64.7
Furniture and household group	33,862,500	52.0	23,196,100	46.5	10,666,400	70.0
Restaurants, cafeterias and eating places	274,200	.6	274,200	.7	-	-
Other retail stores .	35,380,600	9.4	30,562,300	11.8	4,818,300	4.2
<u>Selected Kinds of Business</u>						
Grocery and combination stores	18,432,800	5.9	17,391,600	8.3	1,041,200	1.0
Lumber and building material dealers ..	17,648,700	47.8	8,169,700	31.8	9,479,000	84.7
Drug stores	2,208,100	3.6	2,087,200	4.2	120,900	1.0



